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BEFORE THE FEDERAL ELECTION COMMISSION

SECRET

2010 APR -3 A 9:54

In the Matter of)
)
MUR 6310) CASE CLOSURE UNDER THE
DEAN BLACK FOR CONGRESS AND) ENFORCEMENT PRIORITY
LARRY E. HORN, AS TREASURER) SYSTEM
DEAN A. BLACK)

SENSITIVE

GENERAL COUNSEL'S REPORT

Under the Enforcement Priority System, matters that are low-rated

are forwarded to the Commission with a recommendation for dismissal. The Commission has determined that pursuing low-rated matters, compared to other higher-rated matters on the Enforcement docket, warrants the exercise of its prosecutorial discretion to dismiss these cases. The Office of General Counsel scored MUR 6310 as a low-rated matter.

The complainant, Kathleen Svagdis, asserts that congressional candidate Dean Black, who had sought to represent Florida's Third Congressional District,¹ and his campaign committee, Dean Black for Congress and Larry E. Horne, in his official capacity as treasurer ("the Committee"),² committed several violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), and underlying Commission regulations. Specifically, according to the complainant, the Committee's 2010 April Quarterly Report, which covers the time period from January 1, 2010 through March 31, 2010, discloses

¹ Mr. Black was defeated in Florida's August 24, 2010 primary election.

² At the time of the alleged violations, the Committee's treasurer was Wesley L. Bunce.

1 contributions of \$500 apiece from two corporations, Power Solutions Electric, Inc. ("Power
2 Solutions") and TJSR Enterprises, Inc. ("TJSR Enterprises"), in violation of 2 U.S.C.
3 § 441b(a). In addition, the complainant alleges that the Committee accepted a contribution
4 of \$2,388.88 on March 31, 2010 from an unknown source, with the phrase "I-0Not Found"
5 listed instead of the contributor's name, address, occupation, and name of employer, as
6 required by 2 U.S.C. § 434(b)(3). The complainant also notes that the Committee discloses
7 only one itemized disbursement of \$2,400 on its Schedule B, which is reported as having
8 been made on April 13, 2010, outside of the coverage dates of the April Quarterly report.
9 Nonetheless, the Committee discloses \$12,274.06 in "operating expenses" on the report's
10 Detailed Summary pages, a discrepancy of \$9,874.06 in "unreported disbursements," which
11 are in potential violation of 2 U.S.C. § 434(b)(5). In further support of her contentions, the
12 complainant points out that the Committee's 2010 April Quarterly Report discloses no
13 disbursements for the following: rent, electricity, or telephone service for its campaign
14 office, costs associated with its campaign website, or campaign-related expenses for
15 printing, events, travel, or meals.

16 The Committee did not file a response in this matter. However, in MUR 6285,
17 another matter in which the Committee was a respondent, it addressed allegations that it
18 had accepted corporate contributions from Power Solutions and TJSR Enterprises and
19 subsequently failed to refund them. According to the Committee, it refunded the
20 corporations' contributions "as soon as the mistake was discovered," and included copies of

1 certified refund checks to Power Solutions, issued on March 31, 2010, and to TJSR
2 Enterprises, issued on May 5, 2010.³

3 In addition, after the complaint was filed, but before Florida's August 24, 2010
4 primary election, the Committee filed an amended 2010 April Quarterly Report on August
5 6, 2010, which attributes the \$2,388.88 contribution described *supra* to an individual named
6 "Roger S. Wilson" and supplies Mr. Wilson's address and employment information. The
7 amended report also removes the out-of-date \$2,400 disbursement and discloses a total of
8 \$16,110.71 in Schedule B itemized disbursements, the bulk of which were for fundraising
9 events and related expenses, software, and office rental costs.

10 As noted, the Commission has already addressed the "corporate contributions"
11 alleged in the complaint. As for the remaining reporting issues, it appears that the
12 Committee's amended 2010 April Quarterly Report includes appropriate identifying
13 information for the \$2,388.88 contribution highlighted in the complaint, as well as itemized
14 disbursements on Schedule B for campaign-related costs. Therefore, in light of the
15 Committee's apparent remedial action taken before the primary election, and in furtherance
16 of the Commission's priorities and resources, relative to other matters pending on the
17 Enforcement docket, the Office of General Counsel believes that the Commission should
18 exercise its prosecutorial discretion and dismiss this matter. *See Heckler v. Chaney*,
19 470 U.S. 821 (1985).

20 RECOMMENDATIONS

21 The Office of General Counsel recommends that the Commission dismiss MUR


22 ³ In MUR 6285, which also involved allegedly late-filed reports, the Commission voted to dismiss the matter and remind the Committee to comply with the Act and Commission regulations.

1 6310, close the file, and approve the appropriate letters.

2 Christopher Hughey
3 Acting General Counsel
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7 11/3/10
8 Date

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